

Company registration number: 2308621
Charity registration number: 800538

RAGGED SCHOOL MUSEUM TRUST
(A company limited by guarantee and Registered Charity)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

MYRUS SMITH
Chartered Accountants

Norman House,
8 Burnell Road,
Sutton, Surrey.
SM1 4BW

RAGGED SCHOOL MUSEUM TRUST
(A company limited by guarantee and registered charity)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

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RAGGED SCHOOL MUSEUM TRUST
(A company limited by guarantee)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The management committee of Ragged School Museum Trust (RSM) presents its report and audited financial statements for the year ended 31 March 2023.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's constitution, applicable law and the requirements of the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

1. REFERENCE & ADMINISTRATIVE INFORMATION

Charity registered number:	800538
Company registered number:	2308621
Registered office:	46-50 Copperfield Road London E3 4RR
Trustees:	Simon Bazalgette, Treasurer Robert Moye Alistair Owens Magnus von Wistinghausen, Chair
Company secretary:	Magnus von Wistinghausen
Director:	Erica Davies
Auditors:	Myrus Smith Chartered Accountants Norman House 8 Burnell Road Sutton Surrey SM1 4BW
Bankers:	HSBC 1 Centenary Square Birmingham B1 1HQ

RAGGED SCHOOL MUSEUM TRUST
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TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

2. HOW WE ARE FULFILLING THE PUBLIC BENEFIT REQUIREMENTS OF THE CHARITIES ACT 2011

As a registered charity the public benefits of our work relate directly to our objects which have been of benefit to visitors and schools for over 30 years. The principal object of the Museum, as set out in its Memorandum of Association, is to provide for the advancement of public education by the provision of a museum. Over the past year, through the major grant generously awarded by the National Lottery Heritage Fund, we have fulfilled our object to preserve and maintain the buildings at Copperfield Road.

The primary objects for which the Museum was established remain those

- To advance public education in the local history of the East End of London and the Ragged School Movement through the provision of a public museum and educational activities on site at 46, 48 & 50 Copperfield Road, London E3 4RR;
- To preserve and maintain the buildings onsite at this address;
- To involve members of the local community in the running of the museum.

The Museum's vision is to be, and to be known as, the best place in London to experience the life of the Victorian poor.

Specifically, the Museum aims to:

- Provide children, teachers and families with understanding the life of the Victorian poor.
- Ensure that visits are enjoyable, inspirational and interactive.
- Preserve our buildings and history.

3. STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Ragged School Museum Trust (RSM) is a charitable company limited by guarantee. RSM business and governance is conducted under the framework of its memorandum of articles of association.

Recruitment and appointment of management committee/training

Board members are selected on the basis of the experience, skills and expertise they bring to further the main objectives of RSM. The induction process for new members includes the provision of information on their roles and responsibilities, policy and procedures, meeting with the Director and staff, and site visits. One-third of the board members must resign at each annual general meeting. The retiring members are eligible for re-election.

Risk Management

RSM is committed to identifying and managing potential and probable risks that the organisation faces. The Board of Trustees have overall responsibility for management of risk and it is an essential part of the organisation's effective governance. Monitoring known risks enables the Board and Senior Management Team to make informed decisions and take timely action.

The principal risks facing the charity are:

Financial risks: The Museum has operated without operating revenue since April 2020, due to disruption due to covid lockdowns followed by the closure of the museum in preparation for the NLHF-funded project. Operating costs have been reduced to a minimum during the financial year. VAT registration and partial VAT recovery assisted with managing working capital. Further project funding support obtained after this financial year end will allow us to cover the majority of ongoing operating expenses for the duration of the refurbishment project and of the museum's re-opening phase. As the museum resumes operations in stages, new income streams from rental of new spaces will enhance considerably the museum's revenue, with increased operating costs partially covered by project funding for the first 2 years after re-opening.

RAGGED SCHOOL MUSEUM TRUST
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TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023
(cont'd)

Operational risks: The Museum has operated on a skeleton staff since March 2020, with the burden of client side project management and ongoing operational issues falling solely on the Director. A strong project team, led by Glevum as project co-ordinators have provided significant support and will continue to do so throughout the re-opening phase and beyond (funded from the project budget). Project funding also provides 2-3 years of seed funding for important new posts to manage the operations in the refurbished building. The Museum is subject to the current labour market shortages but is confident to being able to recruit the right calibre of individuals to form a small but dynamic and re-invigorated team under the leadership of the Director. This is the priority for the Trustees, working with the Director and project team.

4. Review of Activities

The effect of Covid regulations continued to impact the progress of the National Lottery Heritage Fund project. Delays included disruption to supply chains, and shortages of labour and some key workers quarantined slowing progress in many directions. Inevitably a number of the objectives outlined for 2022-23 were not met, in the main because building works were not completed to the original schedules. As reported for the previous year progress in difficult circumstances was facilitated by the continuance of the core project team who worked on developing the plans since 2016 (see below). Their expertise, experience, commitment and enthusiasm were a mainstay. The collective intimate knowledge of the building was a critical factor throughout especially when lockdowns reduced access. The director and trustees also wish to record their gratitude for the unfailing support and wise advice from Lesley McCarthy, Senior Investment Manager at NLHF, and from the commitment and vigilance of Jonathan Aldworth, Project Manager from Pulse Consult

Despite all the obstacles essential elements of the refurbishment were in place: a new central heating systems was set up in No 46 Copperfield Road, the lift was installed but not energised. The main building contract was completed, and the building handed over in December 2022, and by year end the RSM could open to school visits. Installation of the new exhibition proceeded during Spring 2023 and the museum re-opened to the public in early July 2023.

Project team

Architects:	Richard Griffiths Architects: Richard Griffiths; James Green; Aya Kihara - Paul; Sybille Metge-Toppin.
Contractors:	Bryen & Langley: Tony Mere; Chris Pearson; Nick King; Bruce Dunbar; Suvinder Kalkat.
Structural Engineers:	The Morton Partnership: Ed Morton; Sarah Tattersall; Cristian Petrescu.
M & E:	SGA Consulting: Bart Stevens; Niraj Vibhakar; Ramiro Godoy.
Project Co-ordinators:	Glevum Consulting Ltd: Simon Hawkins; Katie Holt.
Project Managers:	Pulse Consult: Jonny Aldworth; Dan Mason; Kristian Moseley.
Cost Consultants:	PT Projects: Nick Gold; Shirley Dorsett.
Catering Consultant:	Piers Sturridge Consultancy.
Interpretation designers:	ZMMA: Adam Zombary Moldovan; Matilda Beck; Adriana Ferlauto;
Why Not Associates (graphics):	David Ellis.

RAGGED SCHOOL MUSEUM TRUST
(A company limited by guarantee)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023
(cont'd)

Matched Funding

We are grateful to our generous project funders alongside NLHF: The Foyle Foundation; City Bridge Foundation; Aldgate & Allhallows Foundation; Swire Charitable Trust; Pilgrim Trust; 29th May 1961 Charitable Trust; Bernard Sunley Foundation; Robert Gavron Charitable Trust. Through an approach made by Rob Moy the Headley Trust, one of the Sainsbury's Family Trusts, made a donation of £15,000 to fund the exhibition. We are grateful to Helen McLeod for presenting our application to the Trustees. A total of £620,000 of matched funding pledges were secured for the project.

Our objectives for 2022 – 2023

- Complete the Delivery Phase of the NLHF project.
- Secure an excellent operator for the café / restaurant.
- Secure a management company or single tenant for the lettable space.
- Recruit staff to oversee new functions.
- Begin the process of reinstating the schools programme and Victorian Lesson.

Meeting our objectives for 2022 – 2023

- The Delivery Phase was not completed for the reasons outlined in the introduction. A substantial number of the major elements of the refurbishment were in place but building work continued and we could not open to the public. The Building was handed over to the Museum on 14th December 2022 for staff to occupy and limited events could take place.
- Securing an operator for the café / restaurant was delayed because the café space was being used as a site office and finishing continued. The cafe space was a remarkable transformation from a dingy "basement" with windows blocked internally and externally, used as storage for random items to a light filled lower ground space. Crittall windows were revealed when the panels blocking the window were removed. The choice of polished granolithic concrete made the interior a warm and appealing. At year end, despite many approaches a café operator was not in place. A well-equipped kitchen, designed by Piers Sturridge, plus funds in the NLHF budget were not immediately attractive to an experienced restaurateur. The difficulties of recruiting experienced catering staff was a further disincentive although ongoing efforts resulted in an operator being in place by Summer 2023.
- The Director approached a local fashion company, Closet London, a neighbour for over thirteen years on Copperfield Road. By the end of the financial year the Museum was in detailed discussions with Closet with a view to their taking a lease.
- Unpredictability as when Practical Completion of the building would finally be in place led to a delay in the recruitment of new staff. In October Romy Nuttall joined us as NLHF-funded Adult and Cultural Programmes Officer and began booking in schools for the term beginning in January 2023. Initial attempts to recruit an Operations Manager were unsuccessful due to tight labour market conditions.
- Limited School visits began in January 2023. There was a great keenness in many primary schools to take their classes on visits out of school, teachers were very happy to return, and we noticed bookings from new schools. Kitchen Sessions were not resumed initially and instead pupils were able to explore the building and its transition from warehouse to school.

RAGGED SCHOOL MUSEUM TRUST
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TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023
(cont'd)

Continuing Activities:

Staff

Director: The Executive Director, Erica Davies, continued to oversee the NLHF project as the main Client Representative and was the only active member of staff since April 2020 until October 2022. The Trustees wish to acknowledge their thanks and appreciation for the enormous effort this has represented over a very challenging period.

Adult & Cultural Programmes officer: Romy Nuttall supported the relaunch of the schools programme and planning a series of diverse events.

Our objectives for 2023 – 2024

- Open the Museum to the public for 5 days a week.
- Attract a wide audience from all over the UK and abroad.
- Relaunch the café and make it a destination.
- Recruit a team of front of house volunteers and education volunteers.
- Launch a lively adult cultural programme to attract a new audience.

Financial Review

The Museum received limited operating income during the period.

This continued beyond the year end. On this basis, the Museum will be able to meet its limited operating cash flow needs for the period of the building works.

Looking ahead, the Director and Trustees expect the building project to transform the operations and financial sustainability of the Museum. Increases in revenues are projected once the project is completed, particularly from introducing admission charges to (increased number of) visitors, the new café/restaurant, shop, venue hire and office space rental.

The Trustees operate a reserves policy whereby the free reserves held by the Trust should be approximately three months expenses, which equates to approximately £78,000 based on pre-closure annual operating expenditure. This would enable current activities to continue in the short term should funding drop significantly.

At present the free reserves of £26,533 - 2022 (£50,466), do not reach this target. In calculating free reserves, the Trustees have excluded from total funds restricted income funds of £4,554,785.

Both the policy and its implementation are under regular scrutiny.

RAGGED SCHOOL MUSEUM TRUST
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TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023
(cont'd)

Trustees' Responsibilities Statement

The committee members (who are also directors of RSM for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the committee members to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the committee members are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The committee members are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the committee members has confirmed that there is no relevant audit information of which the charitable company's auditor is unaware; and the committee members have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

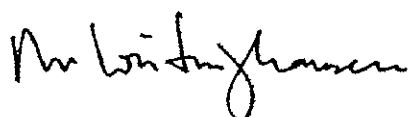
The committee members are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

A resolution proposing that Myrus Smith, Chartered Accountants be reappointed as auditors of the company will be put to the Annual General Meeting.

This report has been prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies.

This report was approved by the Trustees on 30 December 2023 and signed on their behalf by:



.....
Magnus von Wistinghausen
Chair

RAGGED SCHOOL MUSEUM TRUST
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 MARCH 2023

Opinion

We have audited the financial statements of Ragged School Museum Trust (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the trustees' report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

RAGGED SCHOOL MUSEUM TRUST
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INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 MARCH 2023

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 7, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 MARCH 2023

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

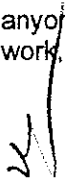
- Enquiry of management and those charged with governance about actual and potential litigation or claims and the identification of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including testing journal entries and other adjustments for appropriateness; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- Professional scepticism in course of the audit and with audit sampling in material audit areas.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.


Stephen Jones FCA (Senior Statutory Auditor)
For and on behalf of Myrus Smith
Chartered Accountants and Statutory Auditors
Norman House, 8 Burnell Road
Sutton, Surrey
SM1 4BW

30 December 2023

RAGGED SCHOOL MUSEUM TRUST
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	Total Unrestricted funds £	Total Restricted funds £	Total Funds 2023 £	Total Funds 2022 £
Income					
Donations and legacies	2	4,401	2,257,701	2,262,102	2,141,411
Charitable activities	3	14,437	-	14,437	1,685
Other trading activities	4	300	-	300	23,422
Investments	5	951	-	951	29
Total		<u>20,089</u>	<u>2,257,701</u>	<u>2,277,790</u>	<u>2,166,547</u>
Expenditure					
Raising funds	6	-	41,677	41,677	22,130
Charitable activities	7	44,022	72,464	116,486	83,187
Total		<u>44,022</u>	<u>114,141</u>	<u>158,163</u>	<u>105,317</u>
Net movement in funds		(23,933)	2,143,560	2,119,627	2,061,230
Reconciliation of funds					
Total funds brought forward	17	<u>50,466</u>	<u>2,411,225</u>	<u>2,461,691</u>	<u>400,461</u>
Total funds carried forward	17	<u>£26,533</u>	<u>£4,554,785</u>	<u>£4,581,318</u>	<u>£2,461,691</u>

All income and expenditure is derived from continuing activities.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes form part of these financial statements.

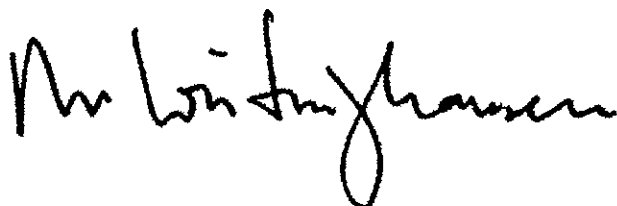
RAGGED SCHOOL MUSEUM TRUST
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BALANCE SHEET AS AT 31 MARCH 2023

	Notes	2023		2022	
		£	£	£	£
FIXED ASSETS					
Tangible assets	13		4,359,819		2,153,727
CURRENT ASSETS					
Stocks		2,443		2,443	
Debtors	15	33,939		75,992	
Cash at bank and in hand		252,824		455,731	
		<u>289,206</u>		<u>534,166</u>	
CREDITORS					
Amounts falling due within one year	16	<u>(67,707)</u>		<u>(226,202)</u>	
NET CURRENT ASSETS			<u>221,499</u>		<u>307,964</u>
TOTAL NET ASSETS	18		<u><u>£4,581,318</u></u>		<u><u>£2,461,691</u></u>
CHARITY FUNDS					
Restricted funds	17		4,554,785		2,411,225
Unrestricted funds	17		26,533		50,466
TOTAL FUNDS	17		<u><u>£4,581,318</u></u>		<u><u>£2,461,691</u></u>

These financial statements have been prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies.

Approved by the Board of Trustees on 30 December 2023 and signed on their behalf by



Magnus von Wistinghausen
Chair

The notes form part of these financial statements.

RAGGED SCHOOL MUSEUM TRUST
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CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Net movement in funds per statement of financial activities		2,119,627	2,061,230
Adjustments for:			
Interest receivable	5	(951)	(29)
Depreciation	13	1,584	1,568
Increase/(decrease) in stock		-	-
Decrease/(increase) in debtors		42,053	(26,679)
(Decrease)/increase in creditors		(158,495)	192,132
		2,003,818	2,228,222
Cash flows from investing activities			
Interest receivable	5	951	29
Property renovation costs		(2,207,676)	(1,847,449)
		(2,206,725)	(1,847,420)
Change in cash at bank in the year		(202,907)	380,802
Cash at bank brought forward		455,731	74,929
Cash at bank carried forward		£252,824	£455,731

The notes form part of these financial statements

RAGGED SCHOOL MUSEUM TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES

General information and basis of preparation

The Ragged School Museum Trust is a registered charitable company (no.800538) and a private company limited by guarantee (no. 2308621) registered in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The registered office is given in the reference and administrative information on page 1.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice. The financial statements have been prepared on the going concern basis and under the historical cost convention.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Income recognition

Items of income are recognised in the financial statements when all of the following criteria are met:

- The charity has entitlement to the funds;
- any performance conditions have been met or are fully within the control of the charity;
- there is sufficient certainty that receipt of the income is considered probable; and
- the amount can be measured reliably.

Contract income is recognised as the charity earns the right to consideration through the performance of its services.

Expenditure recognition

Expenditure is recognised once there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required and the amount can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds which comprise those costs associated with attracting general donations
- Expenditure on charitable activities which comprises the costs of running the various activities and services for the charity's beneficiaries.

Expenditure includes those costs of a direct nature which can be allocated to a specific activity. It also includes indirect costs, including governance costs that do not relate to a specific activity but are necessary to support them. Support costs are apportioned to each activity on the basis of staff time.

Fund accounting

Unrestricted general funds are those funds which are freely available for use in furtherance of the objects of the charity and which have not been designated for specific purposes.

Designated funds are unrestricted funds set aside by the trustees for particular purposes.

Restricted funds are funds which can only be used in accordance with specific restrictions imposed by the donor or which have been raised for a particular purpose.

Tangible fixed assets and depreciation

Depreciation is provided so as to write off the cost of each asset over its estimated useful life.

Depreciation is provided on plant and machinery on a straight line basis at 20% per annum.

Assets costing less than £350 are not capitalised.

Assets under construction includes its purchase price, including legal fees, design and other direct costs attributable to the development including borrowing costs.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES.../Cont'd

Leases

Operating lease rentals are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pensions

The Charity operates a defined contribution pension scheme. Contributions are charged to the Statement of Financial Activities in the year to which they relate.

Debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairments are recognised in expenditure.

Loans and borrowings are initially recognised at transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method.

Government Grants

Grants received under Coronavirus Job Retention Scheme is accounted for on the accrual model.

2. DONATIONS AND LEGACIES

	Unrestricted Funds	Restricted Funds	Total 2023	Total 2022
Heritage Lottery Fund	-	2,087,701	2,087,701	1,776,012
The Robert Gavron Charitable Trust	-	5,000	5,000	-
Aldgate and All Hallows Foundation	-	50,000	50,000	50,000
Foyle Foundation	-	-	-	150,000
Garfield Weston Foundation	-	-	-	100,000
Bernard Sunley Charitable Foundation	-	-	-	20,000
Pilgrim Trust	-	-	-	30,000
John S Cohen Foundation	-	-	-	10,000
City of London	-	100,000	100,000	-
Headley Trust	-	15,000	15,000	-
Sundry donations	4,401	-	4,401	5,399
	<u>£4,401</u>	<u>£2,257,701</u>	<u>£2,262,102</u>	<u>£2,141,411</u>

Of the £2,141,411 recognised in 2022, £5,399 was unrestricted fund income and £2,136,012 was restricted fund income.

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds	Restricted Funds	Total 2023	Total 2022
School Income	14,437	-	14,437	-
Coronavirus – Job Retention Scheme	-	-	-	1,685
Shop income	-	-	-	-
	<u>£14,437</u>	<u>£Nil</u>	<u>£14,437</u>	<u>£1,685</u>

All income from charitable activities was in respect of unrestricted funds in the prior year

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FOR THE YEAR ENDED 31 MARCH 2023

4. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted Funds	Restricted Funds	Total 2023	Total 2022
Room hire	300	-	300	-
Music festival	-	-	-	22,200
Sale of surplus equipment	-	-	-	1,222
	<u>£300</u>	<u>£Nil</u>	<u>£300</u>	<u>£23,422</u>

All income on other trading activities was charged to unrestricted funds in the prior year.

5. INVESTMENT INCOME

	Unrestricted Funds	Restricted Funds	Total 2023	Total 2022
Bank interest receivable	<u>£951</u>	<u>£Nil</u>	<u>£951</u>	<u>£29</u>

All income on investment income was charged to unrestricted funds in the prior year.

6. COST OF RAISING FUNDS

	Unrestricted Funds	Restricted Funds	Total 2023	Total 2023
Direct costs – Fundraising events		36,213	36,213	19,802
Other costs		5,464	5,464	2,328
	<u>£Nil</u>	<u>£41,677</u>	<u>£41,677</u>	<u>£22,130</u>

All expenditure on raising funds was allocated to unrestricted funds in the prior year.

7. EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted Funds	Restricted Funds	Total 2023	Total 2022
Summary by Fund Type	£	£	£	£
Museum and schools programme	<u>£44,022</u>	<u>£72,464</u>	<u>£116,486</u>	<u>£83,187</u>

All expenditure on charitable activities was allocated to unrestricted funds in the prior year.

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities Undertaken Direct	Support Costs	Total 2023	Total 2022
Museum and schools programmes	<u>£100,065</u>	<u>£58,098</u>	<u>£158,163</u>	<u>£105,317</u>

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FOR THE YEAR ENDED 31 MARCH 2023

9. ANALYSIS OF DIRECT COSTS

	Fundraising Costs £	Charitable Costs £	Total Funds 2023 £	Total Funds 2022 £
Staff costs	-	63,246	63,246	48,105
Direct costs – shop	-	606	606	-
Exhibitions and events	36,213	-	36,213	19,802
	<u>£36,213</u>	<u>£63,852</u>	<u>£100,065</u>	<u>£67,907</u>

10. ANALYSIS OF SUPPORT COSTS

	Fundraising Costs £	Charitable Costs £	Total Funds 2023 £	Total Funds 2022 £
Depreciation	-	1,584	1,584	1,568
Insurance	-	5,511	5,511	6,185
Building maintenance	-	323	323	2,985
Cleaning	-	629	629	156
Postage, printing and stationery	-	1,255	1,255	279
Light, heat and water charges	-	20,623	20,623	7,011
Telephone and internet	-	4,424	4,424	2,006
Travel and subsistence	-	324	324	476
Security costs	-	-	-	653
Equipment rental	-	505	505	591
Fundraising and publicity	5,464	-	5,464	2,328
Computer, website and software costs	-	5,696	5,696	4,856
Governance costs	-	10,305	10,305	7,463
Sundry expenses	-	1,455	1,455	853
	<u>£5,464</u>	<u>£52,634</u>	<u>£58,098</u>	<u>£37,410</u>

11. GOVERNANCE COSTS

	Total 2023 £	Total 2022 £
Audit fees	3,600	3,000
Other professional services	6,705	4,463
	<u>£10,305</u>	<u>£7,463</u>

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12. STAFF COSTS

	2023 £	2022 £
Wages and salaries	57,433	45,417
Social security costs	1,111	714
Contribution to defined contribution pension schemes	264	-
Other staff costs	4,438	1,974
	<u>£63,246</u>	<u>£48,105</u>

No employee received total employee benefits (excluding employer pension costs) of more than £60,000 in either year.

The average number of employees, calculated on a full-time equivalent basis, analysed by function was:

	2023 Number	2022 Number
Staff	<u>2</u>	<u>2</u>

The Museum considers its Key Management Personnel to comprise the Trustees and Director.

The total amount of employee benefits received by key management personnel was £43,287 (2022 : £43,000). Under FRS 102, employee benefits include gross salaries, employer's national insurance, employer's pension costs and benefits in kind.

No trustee received remuneration for their trusteeship in 2023 and 2022.

No trustee expenses were reimbursed or paid by the charity in 2023 and 2022.

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13. TANGIBLE FIXED ASSETS

	Freehold Property & Improvements £	Fixtures & Fittings £	Office Equipment £	Displays £	Total £
Cost					
At 1 April 2022	2,187,121	18,627	5,679	6,775	2,218,202
Additions	2,207,676	-	-	-	2,207,676
At 31 March 2023	<u>4,394,797</u>	<u>18,627</u>	<u>5,679</u>	<u>6,775</u>	<u>4,425,878</u>
Depreciation					
At 1 April 2022	35,000	17,264	5,436	6,775	64,475
Charge for the year	1,000	341	243	-	1,584
At 31 March 2023	<u>36,000</u>	<u>17,605</u>	<u>5,679</u>	<u>6,775</u>	<u>66,059</u>
Net book value					
At 31 March 2023	<u>£4,358,797</u>	<u>£1,022</u>	<u>£Nil</u>	<u>£Nil</u>	<u>£4,359,819</u>
At 31 March 2022	<u>£2,152,121</u>	<u>£1,363</u>	<u>£243</u>	<u>£Nil</u>	<u>£2,153,727</u>

Freehold property includes capital improvements of £2,207,676, which represents the capital costs incurred in the refurbishment of the Museum. The refurbishment of the Museum is ongoing at the year-end and, as such, no depreciation has yet been charged.

14. STOCKS

	2023 £	2022 £
Finished goods and goods for resale	<u>£2,443</u>	<u>£2,443</u>

All stock held is for the use of the Shop and Café.

15. DEBTORS

	2023 £	2022 £
Due within one year:		
Fees receivable	6,985	(628)
Other debtors – VAT recoverable	26,954	76,620
	<u>£33,939</u>	<u>£75,992</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

16. CREDITORS – amounts falling due within one year

	2023	2022
	£	£
Trade creditors	58,349	221,765
Other taxation and social security	1,682	1,222
Other creditors	1,076	215
Accruals and deferred income	6,600	3,000
	<u>£67,707</u>	<u>£226,202</u>

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17. MOVEMENT IN FUNDS

2023	At 1 April 2022 £	Income £	Expenditure £	Transfers £	At 31 March 2023 £
Restricted Funds:					
Development fund	7,302	-	-	-	7,302
Building renovation	78,239	-	-	-	78,239
Building renovation – freehold Improvements	2,325,684	2,257,701	114,141	-	4,569,244
Total Restricted Funds	<u>2,411,225</u>	<u>2,257,701</u>	<u>(114,141)</u>	<u>-</u>	<u>4,554,785</u>
Unrestricted Funds:					
Designated Funds:					
Staffing fund	6,000	-	-	-	6,000
Fixed assets fund – freehold Premises	115,000	-	(1,000)	-	114,000
Fixed assets fund – equipment etc	1,606	-	(584)	-	1,022
	<u>122,606</u>	<u>-</u>	<u>(1,584)</u>	<u>-</u>	<u>121,022</u>
General Funds					
General funds	(72,140)	20,089	(42,438)	-	(94,489)
Total Unrestricted Funds	<u>50,466</u>	<u>20,089</u>	<u>(44,022)</u>	<u>-</u>	<u>(26,533)</u>
Total Funds	<u><u>£2,461,691</u></u>	<u><u>£2,277,790</u></u>	<u><u>£(158,163)</u></u>	<u><u>£Nil</u></u>	<u><u>£4,581,318</u></u>

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17. MOVEMENT IN FUNDS.../Cont'd

Comparative information for the movement in funds in the previous year is as follows

2022	At 1 April 2021 £	Income £	Expenditure £	Transfers £	At 31 March 2022 £
Restricted Funds:					
Development fund	7,302	-	-	-	7,302
Building renovation	78,239	-	-	-	78,239
Building renovation – freehold Improvements	189,672	2,136,012	-	-	2,325,684
Total Restricted Funds	275,213	2,136,012	-	-	2,411,225
Unrestricted Funds:					
Designated Funds:					
Staffing fund	6,000	-	-	-	6,000
Fixed assets fund – freehold Premises	116,000	-	(1,000)	-	115,000
Fixed assets fund – equipment etc	2,174	-	(568)	-	1,606
	124,174	-	(1,568)	-	122,606
General Funds					
General funds	1,074	30,535	(103,749)	-	(72,140)
Total Unrestricted Funds	125,248	30,535	(105,317)	-	50,466
Total Funds	£400,461	£2,166,547	£(105,317)	£Nil	£2,461,691

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NOTES TO THE FINANCIAL STATEMENTS
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17. MOVEMENT IN FUNDS.../Cont'd

Staffing fund

The trustees established a Staffing fund to help meet unexpected statutory and moral obligations that arise which may not be eligible for support from funders as it is based on the potential redundancy liability of staff. This reserve equals a third of the potential liability.

Fixed assets fund

This fund reflects the cost and depreciation of fixed assets purchased from both general funds and from restricted grants where it is considered that there is no continuing restriction. The amount carried forward is equal to the net book value of the related fixed assets at the year end.

Development fund

This relates to funds received in previous years for a fundraising event at the House of Commons.

Building renovation

The purpose of the building renovation is to restore the Museum, improving the condition of all the buildings and their accessibility while preserving their authenticity with sensitive conservation.

Building renovation – freehold improvements

This fund represents the proportion of the 'Building renovation' fund which has been used wholly for capitalised improvements. This fund aligns with the Net Book Value of the freehold improvements within Tangible Fixed Assets and transfers are made between this fund and the 'Building renovation' fund accordingly.

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

2023	Unrestricted Funds £	Restricted Funds £	Total 2023 £
Tangible fixed assets	1,022	4,358,797	4,359,819
Current assets	(93,218)	195,988	289,206
Creditors due within one year	(67,707)	-	(7,676)
As at 31 March 2023	<u>£26,533</u>	<u>£4,554,785</u>	<u>£4,581,318</u>

Comparative information for the analysis of net assets between funds in the previous year is as follows:

2022	Unrestricted Funds £	Restricted Funds £	Total 2022 £
Tangible fixed assets	116,606	2,037,121	2,153,727
Current assets	(61,703)	595,869	534,166
Creditors due within one year	(4,437)	(221,765)	(226,202)
As at 31 March 2022	<u>£50,466</u>	<u>£2,411,225</u>	<u>£2,461,691</u>

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NOTES TO THE FINANCIAL STATEMENTS
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19. MEMBERS' LIABILITY

Ragged School Museum Trust is a company limited by guarantee and has no share capital. The liability of each member is limited to £1. The number of members at the end of the financial year was 28 (2022 : 28).

20 RELATED PARTY TRANSACTION

Other than key Management Personnel transactions detailed in Note 12, there were no related party transactions during the period (2022 : £Nil).